



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

FEB 25 1998

Gerald L. Baker, Treasurer
American Health Care Association
Political Action Committee (AHCA-PAC)
1201 L Street, NW
Washington, DC 20005

Identification Number: C00006080

Reference: October Monthly Report (9/1/97-9/30/97)

Dear Mr. Baker:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule A of your report discloses a contribution(s) from an organization which is not a political committee registered with the Commission (pertinent portion(s) attached). In addition, the contribution appears to exceed the limits set forth in the Act. 2 U.S.C. §441a(f) precludes a political committee from receiving contributions from a person or another committee in excess of \$5,000 in a calendar year. Also, in order to make contributions to your committee, organizations which are not political committees must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution. 11 CFR §102.5(b)

If your committee does not finance non-federal activity, the receipt of the referenced contribution(s) may violate the limitations and prohibitions of 2 U.S.C. §§441a(f) and 441b. If your committee engages in both federal and non-federal activity, either through a separate non-federal account, or one account that finances activity in connection with both federal and non-federal elections, your committee may be in violation of 11 CFR §102.5(a).

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In order to be in compliance with the Act, your committee must: 1) refund to the donor, or transfer-out to a non-federal account, the amount in excess of \$5,000 and 2) determine the extent to which your committee received funds that are not permissible, and refund or transfer-out the prohibited funds.

If you choose to transfer the funds to an account not used to influence federal elections, the Commission advises that you inform the contributor in writing and provide the contributor with the option of receiving a refund. You may wish to seek a written authorization (either before or after the transfer-out) from the donor for any transfer-out to protect the donor's interests.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for the transfer-out or refund. Should you choose to transfer-out or refund the funds, the Commission will presume the funds were impermissible, absent a statement from your committee to the contrary. Transfers-out and refunds should be disclosed on a Schedule B supporting Line 22 or 28 of the report covering the period during which they are made.

Although the Commission may take further legal action concerning the acceptance of prohibited and excessive contribution(s), your prompt refund or transfer-out will be taken into consideration.

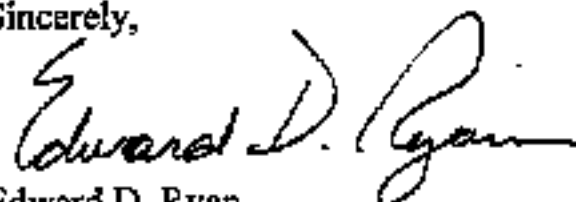
-Schedule A supporting Line 11(a)(i) discloses contributions received through a payroll deduction plan. Generally, a committee's report must identify each contribution from an individual which in the aggregate exceeds \$200 during the calendar year. (2 U.S.C. §434(b)) For your information, instead of separate itemization, a committee using a payroll deduction plan may disclose the aggregate amount of contributions received from the contributor through the payroll deduction plan during the reporting period; the identification of the individual where the contribution exceeds \$200 in the aggregate during the calendar year; and a statement of the amount deducted per pay period. 11 CFR §104.8(b)

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-Your report disclosed a category of financial activity that has been reflected on the wrong line of the Detailed Summary Page. Contributions from other political committees (such as PACs) should be properly disclosed on a separate Schedule A, supporting Line 11(c) of the Detailed Summary Page. Please refer to the instructions contained on the forms to determine the proper categorization when preparing your next filing.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 219-3580.

Sincerely,



Edward D. Ryan
Reports Analyst
Reports Analysis Division

SCHEDULE A

ITEMIZED RECEIPTS

Page ____ of ____ for
 LINE NUMBER ____
 (Use separate schedule(s) for each
 category of the Detailed
 Summary Page.)

Any information copied from such Reports or Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Name of Committee (in Full)

AMERICAN HEALTH CARE ASSOCIATION-POLITICAL ACTION COMMITTEE

A. Full Name, Mailing Address and ZIP Code

TEXAS HC PAC
 P.O. BOX 4554
 AUSTIN, TX 78765

Receipt For: ☐ Primary ☐ General☐ Other (specify):

Name of Employer

Occupation

Aggregate Year-to-Date-\$

Date (month,
day, year)

9/18/97

Amount of Each
Receipt This Period

6535.00

SDR

B. Full Name, Mailing Address and ZIP Code

JACK JORDAN
 P.O. BOX 5349
 SEVIERVILLE, TN 37864

Receipt For: ☐ Primary ☐ General☐ Other (specify):

Name of Employer

Occupation

Aggregate Year-to-Date-\$

Date (month,
day, year)

9/18/97

Amount of Each
Receipt This Period

300.00

SEVIER COUNTY HC

C. Full Name, Mailing Address and ZIP Code

Receipt For: ☐ Primary ☐ General☐ Other (specify):

Name of Employer

Occupation

Aggregate Year-to-Date-\$

Date (month,
day, year)Amount of Each
Receipt This Period

D. Full Name, Mailing Address and ZIP Code

Receipt For: ☐ Primary ☐ General☐ Other (specify):

Name of Employer

Occupation

Aggregate Year-to-Date-\$

Date (month,
day, year)Amount of Each
Receipt This Period

E. Full Name, Mailing Address and ZIP Code

Receipt For: ☐ Primary ☐ General☐ Other (specify):

Name of Employer

Occupation

Aggregate Year-to-Date-\$

Date (month,
day, year)Amount of Each
Receipt This Period

F. Full Name, Mailing Address and ZIP Code

Receipt For: ☐ Primary ☐ General☐ Other (specify):

Name of Employer

Occupation

Aggregate Year-to-Date-\$

Date (month,
day, year)Amount of Each
Receipt This Period

G. Full Name, Mailing Address and ZIP Code

Receipt For: ☐ Primary ☐ General☐ Other (specify):

Name of Employer

Occupation

Aggregate Year-to-Date-\$

Date (month,
day, year)Amount of Each
Receipt This Period

SUBTOTAL of Receipts This Page (optional)

6835.00

TOTAL This Period (next page this line number only)

39,794.70

